(Rs. in crores)

S. No.	Programme	Funds released 1999-2000	Funds released 2000-2001 (as on 15.03.2001)
8.	Wind power	3.76	4.89
9.	Biomass Power	0.00	0.08
10.	Solar Photovoltaic Power	0.10	0.05
	TOTAL:	7.71	6.81

Power Reforms

*366. SHRI P.K. MAHESHWARI: Will the Minister of POWER be pleased to state:

(a) the average transmission and distribution losses in terms of MW and in rupees suffered by each State Electricity Board in the country;

(b) whether Government have issued fresh guidelines to the State Governments for implementation of reforms in their respective States;

(c) if so, the details thereof;

(d) the details of those State Governments who have implemented these reforms;

(e) whether some SEBs have increased power tariffs and passed it on to the consumers to cover up the losses of T and D; and

(f) if so, the details thereof, State-wise?

THE MINISTER OF POWER (SHRI SURESH PRABHU): (a) the position of transmission and distribution losses in different States is indicated as statement-I. (*See* below)

(b) and (c) A Conference of Chief Ministers/Power Ministers was held on 3.3.2001, which took note of the challenges confronting the power sector. It was agreed that there is an urgent need to speed up power sector reforms and their implementation. The resolution adopted in the Conference is given in Statement-II. (*See* below)

(d) The status of reforms in different States is shown in Statement-III. (*See* below)

(e) and (f) According to section 59 of the Electricity (Supply) Act 1948, the SEBs are required to adjust tariff so as to earn a surplus of

at least 3% of the value of the fixed assets. In the States where Electricity Regulatory Commissions have been formed, they are to fix tariff so as to progressively reflect the cost of supply and encourage efficiency, economy, good performance and optimum investment. Various inefficiencies like high level of T&D losses, theft etc. are included in the cost of supply of electricity. The Regulatory Commissions while fixing tariffs also fix a target for loss reduction and improvement in efficiency parameters that is to be achieved by the utility.

Statement-I

Percentage Transformation, Transmission and Distribution Losses (including Commercial Losses such as pilferage etc.) in SEBs/EDs

Region	SEBs/EDs	1997-98*
Northern Region	Haryana	33.04#
	Himachal Pradesh	19.20
	J & K	47.48$
	Punjab	17.90
	Rajasthan	26.46
	Uttar Pradesh	25.00
	Chandigarh	14.95
	DVB (Delhi)	46.86#
Western Region	Gujarat	19.66
	Madhya Pradesh	19.08
	Maharashtra	17.73
	D & N Haveli	N/A
	Goa	23.39
	Daman & Diu	11.27
Southern Region	Andhra Pradesh	31.76
	Karnataka	18.56
	Kerala	17.87
	Tamil Nadu	17.00
	Lakshadweep	15.83
	Pondicherry	13.79
Eastern Region	Bihar	25.41
	Orissa	23.00
	Sikkim	20.13
	West Bengal	20.34
	A & N Islands	20.51

Region	SEBs/EDs	1997-98*
North Eastern Region	Assam	30.05
	Manipur	21.50$
	Meghalaya	17.93
	Nagaland	29.50$
	Tripura	29.75
	Arunachal Pradesh	30.99$
	Mizoram	47.00$
All India (Utilities)		24.44

SOURCE: DMLF Division, CEA (GENERAL REVIEW)
* DATA IS TENTATIVE AS REPORTED BY SEBs/EDs
# COMPUTED FIGURES
$ AS REPORTED IN THE ANNUAL PLAN RESOURCES PAPER SUBMITTED TO PLANNING COMMISSION
NA INFORMATION NOT YET FURNISHED BY THE SEB/ED

The T&D Losses have been measured more accurately with reforms. The T&D Losses reported in respect of Orissa, Andhra Pradesh, Haryana and Rajasthan are as follows:

State	Before	After
Orissa	23%	51%
Andhra Pradesh	25%	45%
Haryana	32%	47%
Rajasthan	26%	43%

Statement-II

Resolutions of the Chief Ministers/Power Ministers Conference on 3rd March, 2001

I. The Chief Ministers/Power Ministers took note of the challenges confronting the Power Sector. It was agreed that there is urgent need to depoliticise power sector reforms and speed up their implementation. For this purpose, an all-party consensus needs to be created. The Prime Minister is requested to convene all-party meetings including leaders of opposition in State Assemblies.

II. The following Resolutions were adopted:

A. Completing Electrification of all Villages and Households

(i) Rural Electrification may be treated as a Basic Minimum Service under the Prime Minister's Gramodaya Yojana;

(ii) Rural Electrification may be completed by the end of the 10th Plan i.e. by year 2007;

(iii) Full coverage of all households may be targeted for the end of the 11th Plan i.e. by year 2012.

(iv) For the attainment of full electrification, States may be given flexibility for using funds under Rural Development Programmes with the consent of the Village/Block Panchayats for undertaking the task of electrification where it is required.

(v) It was agreed that electrification of remote villages in the States would need a special mode of financing including an element of grant.

B. Distribution Reforms

The real problem of management and the challenge of reforms lies in the distribution sector.

(i) Energy audit at all 11 KV feeders must be made effective within the next 6 months and accontability fixed at the local level.

(ii) An effective management Information System for this purpose needs to be made operational.

(iii) On the basis of the above, an effective programme needs to be launched for identifying and eliminating power thefts in the next 2 years.

(iv) Full metering of all consumers had been targeted for completion by December, 2001. Special efforts should be made to complete the programme.

(v) The quality of power supplied especially in rural areas needs

to be improved through the APDP and other programmes quickly;

(vi) Commercial viability has to be achieved in distribution in 2-3 years through any or all of the following:

- Creating Profit centres with full accountability
- Handing over of local distribution to Panchayats/ local Bodies/Franchisees/Users Associations, wherever necessary
- Privatisation of distribution
- Or any other means

(vii) Efforts by States, if necessary, at inviting private investment in the power sector need to be focussed towards the distribution sector.

(viii) Current operations on distribution would need to reach break even in two years and achieve positive returns thereafter.

C. **Tariff Determination by Regulatory Commissions and Subsidies**

(i) State Electricity Regulatory Commissions may be made functional in the next six months and tariff filings made. Tariff orders issued by Central Electricity Regulatory Commission and State Electricity Regulatory Commissions need to be implemented fully unless stayed or set aside by Court order. It is necessary to move away from the regime of providing free power.

(ii) Subsidies may be given only to the extent of State Government's capacity to pay the subsidies explicitly through budget provisions.

(iii) The past decision of CMs of a minimum agricultural tariff of 50 paise may be implemented immediately(*).

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* Punjab and Tamil Nadu did not agree.

D. Generation

(i) Special efforts need to be made to increase the PLF of existing plants through Renovation and Modernisation.

(ii) In the short run, there is no alternative to increase in public sector investment in generation, as large-scale private investment in generation would flow only after reforms succeed in restoring financial viability. The Centre and the States need to take suitable decisions regarding increase in outlays for the 10th Plan. Priority should be given for investments at those locations which produce the cheapest power specially for hydro projects and pit head thermal generation. CEA has estimated the requirement for an additional 100,000 MW of generating capacity by 2012.

(iii) Where the States and Financial Institutions are in agreement about the need for development of IPPs, they need to work together to achieve financial closure at the earliest. The Centre would facilitate the finalisation of reforms based multi-partite agreements.

(iv) The evolution of a National Grid for inter-regional transfer of power needs to be taken up on priority.

(v) Some provisions of the Forest Conservation Act may require to be revised for expeditious completion of power and other projects.

E. Energy Conservation and Demand Side Management

An effective programme in the field of demand side management through—

— energy efficient bulbs, tube lights and agricultural pumpsets,

— time of the day metering and differential tariff for peak and off peak hours

— needs to be implemented with suitable mass awareness and extension efforts.

F. Support From Government of India

(i) The Government of India would support the States in their reform efforts. This support would be linked to time bound

power reform initiatives in the States and achievement of definite milestones towards restoration of financial viability.

(ii) Interest rates of PFC and REC should be brought down to reflect market conditions.

(iii) An Expert Group would be set up to recommend one time settlement of all power sector past dues to CPSUs and dues from CPSUs to State Power Utilities. This would be linked to implementation of reforms with time bound milestones. The Group will give its report within three weeks of its constitution.

G. Supply from Central Generating Stations

Continued supply of power from Central Generating Stations would have to be linked to demonstration of capacity to make payments for current purchases and securitisation of past dues.

H. High Level Empowered Group

A High Level Empowered Group comprising of Minister of Power and Chief Minister of some States may be set up to coordinate, monitor and review the implementation of Reforms.

Statement-III

Status of Power Reforms

Orissa, Haryana, Andhra Pradesh, Uttar Pradesh, Karnataka and Rajasthan have enacted their State Electricity Reforms Acts and unbundled their SEBs. Delhi has enacted its Reforms Acts. Madhya Pradesh has passed its Reform legislation and Gujarat has drafted its Reform Bill.

Fifteen States (Orissa, Haryana, Andhra Pradesh, Uttar Pradesh, Karnataka, West Bengal, Tamil Nadu, Punjab, Delhi, Gujarat, Madhya Pradesh, Arunachal Pradesh, Maharashtra, Rajasthan and Himachal Pradesh) have either constituted or notified the constitution of their State Electricity Regulatory Commission. The SERCs of Orissa, Andhra Pradesh, Uttar Pradesh, Maharashtra, Gujarat, Haryana and Karnataka have issued tariff orders.

The reform process in Orissa has progressed farthest with complete privatisation of distribution in the State. The four subsidiary companies of GRIDCO have been disinvested in favour of private companies. BSES Ltd. has taken over the three distribution zones

(WESCO, NORTHCO & SOUTHCO) and the US based AES Ltd. has taken over the Central Zone. The Power Generation Corporation (OPGC) has also been disinvested to the extent of 49%.

The Government of India is also signing MOUs on reforms with States whereby the States commit to achieve definite milestones to reduce T&D losses, eliminate theft, improved billing and collection, setting up of functional SERCs etc. The Government of India offers financial support through the Accelerated Power Development Programme (APDP) and additional allocation of power from unallocated share of Central pool etc. So far, the States of Karnataka, Uttar Pradesh, Madhya Pradesh, Haryana, Gujarat, Andra Pradesh and Maharashtra have signed MOUs.

Amendment to CrPC

*367. SHRI B.P. SINGHAL Will the Minister of HOME AFFAIRS be pleased to state whether Government are contemplating to bring about an amendment to the CrPC for providing special courts to conduct the trial of erring politicians on a day-to-day basis?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI I. D. SWAMI): There is no such proposal at present.

Power Generating Projects

†*368. SHRI RAM JETHMALANI:
SHRI RAJIV RANJAN SINGH 'LALAN'

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that there are a number of power generating projects under construction in public and private sectors in the country;

(b) if so, the names of thermal, hydro-electric and petroleum products-based power generating projects;

(c) the production capacity of each of them;

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† Original notice of the question was received in Hindi.